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UNITED STATES DEPARTMENT OF AGRICULTURE  
BEFORE THE SECRETARY OF AGRICULTURE

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In re:

North American Halal Food  
Industries, Inc., d/b/a/ Halal Food  
Processors, d/b/a/Iowa Valley Farms,  
Jalel Aossey, and  
Yahya Nasser Aossey,

Respondents

<sup>YSC</sup>  
Docket No. ~~16~~ 16-0056  
Docket No. ~~16~~ 16-0057  
Docket No. ~~16~~ 16-0058

Consent Decision and Order

This is a proceeding under Title I of the Federal Meat Inspection Act, as amended (21 U.S.C. §§ 601 et seq.) ("FMIA"), the Poultry Products Inspection Act, as amended (21 U.S.C. §§ 451 et seq.) ("PPIA"), and the applicable rules of practice (7 C.F.R. §§ 1.130 et seq. and 9 C.F.R. § 500.1 et seq.), to withdraw Federal inspection services from North American Halal Food Industries, Inc., d/b/a Halal Food Processors, and d/b/a Iowa Valley Farms, Jalel Aossey, and Yahya Nasser Aossey, (hereinafter referred to collectively as Respondents). This proceeding was commenced by a complaint filed on February 24, 2016 by the Administrator of the Food Safety and Inspection Service (FSIS), United States Department of Agriculture (USDA). The parties have agreed that this proceeding should be terminated by entry of the Consent Decision and Order set forth below pursuant to the consent decision provisions of the Rules of Practice (7 C.F.R. § 1.138).

For the purpose of this Consent Decision, Respondents specifically admit that the Secretary has jurisdiction in this matter. Respondents neither admit nor deny the remaining

allegations, waive oral hearing and further procedure, and waive any action against the Complainant under the Equal Access to Justice Act of 1980 (5 U.S.C. section 504 et seq.). Respondents consent and agree, for the purpose of settling this proceeding and for such purpose only, to the entry of this decision.

Complainant agrees to the entry of this decision.

#### **Findings of Fact**

1. Respondent North American Halal Food Industries, Inc. (Respondent Corporation), is now, and was at all times material herein, a corporation organized and existing under the laws of the State of Iowa, operating a meat and poultry processing facility at 900 66<sup>th</sup> Avenue SW, Cedar Rapids, Iowa 52404.
2. Respondent North American Halal Food Industries, Inc., is now, and was at all times material herein, a recipient of Federal meat and poultry inspection services, pursuant to the FMIA and PPIA, at its place of business in Cedar Rapids, Iowa, and designated as official Establishment Number 5579/P-5579.
3. Respondent Jalel Aosey was, at all times material herein, responsibly connected to Respondent North American Halal Food Industries, Inc. as president and holder of ten percent or more of voting stock in Respondent North American Halal Food Industries, Inc.
4. Respondent Yahya Nasser Aosey was, at all times material herein, responsibly connected to Respondent North American Halal Food Industries, Inc. as Secretary and Treasurer and holder of ten percent or more of voting stock in Respondent North American Halal Foods Industries, Inc.



5. William B. Aossey Jr., a non-officer and non-agent of Respondent North American Halal Food Industries Inc., was, at all times material herein, an individual acting in the capacity of a responsibly connected official thereto, as defined in 21 U.S.C. 467(a) and 671.

6. On September 11, 2015, in the United States District Court, Northern District of Iowa, case number CR-14-0138-LLR, Respondent Jalel Aossey entered a conditional plea of guilty to one felony count of conspiracy in violation of 18 USC § 371

7. On September 11, 2015, in the United States District Court, Northern District of Iowa, case number 14-CR-00138, Respondent Yahya Nasser Aossey entered conditional pleas of guilty to two misdemeanor counts in violation of 21 U.S.C. § 610(c)(1)(B).

8. On July 13, 2015, in the United States District Court, Northern District of Iowa, Respondent William B. Aossey Jr., was convicted, in United States District Court for the Northern District of Iowa, case number 14-CR-00116-LRR, by jury verdict of one count of conspiracy to: cover up material facts by a scheme in a matter within the jurisdiction of the Department of Agriculture, in violation of 18 USC § 1001; make and use materially false statements in a matter within the jurisdiction of the Department of Agriculture, in violation of 18 USC § 1001; make and use materially false documents in a matter within the jurisdiction of the Department of Agriculture, in violation of 18 USC § 1001; sell in commerce articles that had been misbranded with the intent to defraud, in violation of 21 USC § 610; make false statements on export certificates with the intent to defraud, in violation of 21 USC § 611; commit mail fraud, in violation of 18 USC § 1341; and commit wire fraud, in violation of 18 USC § 1343, all in violation of 18 USC § 371. William B. Aossey was also convicted of seven counts of making materially false statements on export certificates with the intent to defraud, in violation of 21 USC § 611; and seven counts of wire fraud, in violation of 18 USC § 1341.



### Conclusion

Because the parties have agreed to the provisions set forth in the following Consent Decision and Order in disposition of this proceeding, the following Order will be issued.

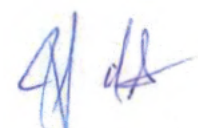
### Order

1. Federal meat and poultry inspection services under Title I of the FMIA and the PPIA are withdrawn from Respondents, its owners, including officers, directors, partners, affiliates, successors and assigns, directly or through any corporate or other device, for a period of five (5) years, beginning on the effective date of this Order; **Provided**, however, said withdrawal of inspection services shall be held in abeyance, and Federal meat and poultry inspection services shall be provided to Respondents, pursuant to a conditional grant of inspection, for so long as the statutory and regulatory requirements for applicable inspection services and all terms and conditions of this Order set forth below are met and maintained.

### Establishment Management and Personnel

2. Prior to the effective date of this Order, and subject to verification by FSIS, Respondents shall modify the responsible establishment personnel as follows:

(a) Respondent Jalel Aosse, shall be indefinitely divested, both operationally and financially of any involvement of any kind from Respondent Corporation, its successors, affiliates, and assigns; except that Jalel Aosse shall have (60) days from the execution of this Order to either: (1) sell, transfer, assign, or otherwise dispose of his ownership interest in all shares of stock which he owns in Respondent Corporation, or (2) in accordance with the plea agreement executed on September 2, 2015 with the United States Attorney's Office for the Northern District of Iowa, place his ownership



interest in all shares which he owns in Respondent Corporation into a trust for the benefit of his family provided that the trust is administered by an independent trustee who is not affiliated with Respondent Corporation or any associated, affiliated, or successor businesses;

(b) Respondent Corporation's corporate structure shall be reorganized so that Jalel Aossef and William B. Aossef, Jr., are permanently disassociated from Respondent Corporation as a partner, officer, owner, or director.

(c) Respondent Yahya Nasser Aossef may retain his position as Owner, Secretary/Treasurer, of Respondent Corporation.

(d) Respondents shall appoint or hire, with the concurrence of Director, ELD, an individual to the position of President.

(e) Respondents shall establish, appoint, hire, and execute all other positions required by this Order.

(f) Respondents shall take actions as necessary to prevent Respondent Jalel Aossef, from (i) providing direction to, (ii) exercising operational control of, (iii) being present at, (iv) conducting business for, (v) having financial interest in Respondent Corporation, except as described above in paragraph 2.(a), and/or (vi) otherwise exerting influence over, Respondent Corporation, its owners, officers, directors, partners, successors, affiliates and assigns, and all activities regulated under the FMIA and the PPIA.

(g) Respondents shall take actions as necessary to prevent William B. Aossef Jr., from (i) providing direction to, (ii) exercising operational control of, (iii) being present at, (iv) conducting business for, (v) having a financial

interest in, and/or (vi) otherwise exerting influence over, Respondent Corporation, its owners, officers, directors, partners, successors, affiliates, and assigns, and all activities regulate under the FMIA and the PPIA.

(h) Respondents shall appoint or hire, with the concurrence of the Director, ELD, an individual to the position of Plant Manager.

(i) Respondents shall submit an updated Application for Inspection (FSIS Form 5200-2), to the Des Moines District Office, reflecting required information and any changes to those responsibly connected with the applicant.

(j) Respondents shall provide the Director, Enforcement and Litigation Division, Office of Investigation, Enforcement and Audit (hereinafter "Director, ELD"), with all records that substantiate the complete indefinite operational and financial divestiture of Jalel Aossef from Respondent Corporation, its owners, officers, directors, partners, successors, affiliates and assigns.

(k) Notwithstanding provisions (a), (b), and (f) of this paragraph, after a period of five (5) years, Respondents may petition the Director, ELD, to rescind, vacate or modify the terms of this Consent with respect to the status of Respondent Jalel Aossef within Respondent Corporation.

Corporate Ethics and Compliance Officer (CECO)

3. Prior to the effective date of this Order, and subject to the written concurrence of the ELD, Respondent Corporation shall appoint or hire, a individual (other than Yahya Nasser Aossef) to the position of Corporate Ethics and Compliance Officer (hereinafter

“CECO”). The CECO will be independent from the President, for ensuring compliance with all applicable FSIS statutory and regulatory requirements and this Order. Any changes to the CECO shall be made with the concurrence of the ELD Director. The CECO shall have the responsibility for: (a) supervising and monitoring Respondents’ compliance with this Order; (b) implementing the Standards of Conduct Policy and Program, and the Ethics Training established under this Order; (c) assuring that all employees are trained in food safety principles and ethics in accordance with this Order; (d) maintaining records and reports required by this Order; and (e) reporting to FSIS on Respondents’ compliance with all applicable FSIS statutory and regulatory requirements and this Order. The CECO may not hold any other managerial position in Respondent Corporation.

Plant Manager

4. Prior to the effective date of this Order, and subject to the written concurrence of ELD, Director, Respondent Corporation shall appoint or hire, an individual to the position of Plant Manager separate and apart from the President or CECO, for ensuring the day to day operations are in compliance with FSIS statutory and regulatory requirements.

Ethics Training and Standards of Conduct Policy and Program

5. Prior to the effective date of this Order, and subject to verification by FSIS, Respondent Corporation’s officers and managers shall participate in and successfully complete a training program(s) or educational course(s) encompassing ethical business practices and compliance with applicable State and Federal statutes and meat and poultry regulations. Prior to participating in this course, Respondent Corporation shall submit a detailed description of the proposed training course(s) for concurrence by the Director, ELD, or designee. Respondent Corporation shall maintain for the duration of this Order records documenting the successful

completion of such training and shall make those records available upon request to any FSIS program personnel.

6. Respondent Corporation shall develop and submit for review and concurrence by the Director ELD, employee Standards of Conduct Policy and Program to include, at a minimum:

(a) a statement of Respondent Corporation's commitment and of its officers, managers, and employees to maintain a safe work environment where mutual respect and the ability to work together productively are supported and precludes any acts of assault, threats of assault, intimidation, resistance, or interference;

(b) a statement of Respondent Corporation's commitment to promote truthful and honest communications and exchanges between Respondent Corporation's officers, managers, and employees and FSIS personnel, respectful, business like, non-threatening, and non-offensive in gender or ethnicity;

(c) a statement of Respondent Corporation's policy addressing ethics and public trust;

(d) a statement of Respondent Corporation's commitment to comply with all Federal and State food safety and other laws in the conduct of their business;

(e) guidelines for Respondent Corporation's employees to follow with respect to food safety and ethics issues; and

(f) measures for Respondent Corporation's officers, managers, and employees to report alleged violations of food safety, compliance, or ethics



issues, or violations of company policies, to officers or managers, without fear of reprisal and for Respondent Corporation to document and address reported allegations.

7. The Standards of Conduct Policy and Program shall be permanently displayed in a prominent location in Respondent Corporation's establishment and shall be provided to and discussed with all current and future officers, managers, and employees, and shall require written acknowledgement by each individual of receipt, discussion, understanding and adherence to the policy and program.

#### Food Safety and Compliance Provision

8. Upon the effective date of this Order, and for the duration of this Order and subject to verification by FSIS, Respondent Corporation shall comply with the Sanitation Performance Standards (SPS), Sanitation Standard Operating Procedures (SSOP), Hazard Analysis and Critical Control Point (HAACP) systems and *Listeria Monocytogenes* ("Lm") sampling and testing, and other programs in accordance with all applicable FSIS statutory and regulatory requirements, including but not limited to 9 C.F.R. Parts § 416, 417, 418, 430, and of this Order.

#### Recordkeeping Provisions

9. Respondent Corporation shall record and maintain complete and accurate written records of (a) all records required to be maintained by the FMIA, PPIA, and implementing regulations; and (b) all records required by this Order.

10. Respondent Corporation shall make all records regarding its federally inspected establishment or other regulated business or business activities at said establishment available to FSIS personnel for review and/or copying immediately upon such request by FSIS.



#### Corporate Reporting to FSIS

11. Respondent Corporation shall prepare a report identifying respondent's compliance with all terms and conditions of this Order and FSIS statutory and regulatory requirements. The report shall provide information on any relevant compliance issues. The report shall be submitted to the Director, ELD, every (180) calendar days for the duration of this Order.

#### Implementation

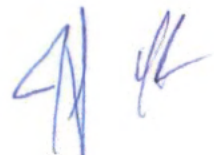
12. Respondent Corporation shall implement the company policies and programs required by this Order, and require strict adherence to its policies and programs on the part of all current and future officers, managers, and employees, and take and document corrective action including disciplinary action when necessary.

#### General Provisions

13. Respondents and any of the Respondent Corporation's, partners, employees, agents or affiliates, shall not:

(a) violate any section of the FMIA, PPIA or regulations promulgated thereunder, any State or local statute involving the preparation, sale, transportation, or attempted distribution of any adulterated, non- inspected, misbranded, or deceptively packaged meat or poultry food products;

(b) commit any felony or fraudulent act or other criminal act involving fraud, conspiracy, bribery, or any other act or circumstances indicating a lack of integrity needed for the conduct of operations affecting public health; or



(c) assault, intimidate, impede, threaten or interfere with any program employee in the performance of his or her official duties under the FMIA, PPIA, or regulations promulgated thereunder.

14. For positions which would make an individual responsibly connected to Respondent Corporation as defined by 21 U.S.C. 467(a) and 671, Respondents shall not knowingly hire or add any new individual who has been convicted, in any Federal, State, or territorial court, of any felony, or of more than one misdemeanor based upon the acquiring, handling, or distributing of unwholesome, mislabeled or deceptively packaged food, or based upon fraud in connection with transactions in food. To the extent permitted by State and Federal law, Respondents shall immediately terminate its connection with any such individual when that individual's conviction becomes known to Respondents.

15. Respondents shall fully and completely cooperate with any FSIS investigation, inquiry, review, or examination of Respondent's compliance with the FMIA, PPIA, or this Order.

#### Enforcement Provisions

16. The Administrator, FSIS, shall have the right to summarily withdraw inspection services upon a determination by the Director, ELD, or his or her designee, that one or more conditions set forth in this Order have been violated. It is acknowledged that Respondents retain the right to request an expedited hearing pursuant to the Rules of Practice, 9 C.F.R Part 500, concerning any violation alleged as the basis for a summary withdrawal of inspection services. This does not affect Complainant's right to suspend operations in accordance with the Rules of Practice, 9 C.F.R. Part 500. Nothing in this Order shall preclude the referral of any violation of law to the U.S. Department of Justice for possible criminal or civil proceedings, or preclude the

Administrator from taking other appropriate administrative action under the FMIA, PPIA, and the regulations promulgated there under.


17. If any provision of this Order is declared invalid, such declaration shall not affect the validity of any other provision herein.


18. The provisions of this Order shall be applicable for a period of five (5) years from the effective date of this Order.


19. If any of the underlying guilty pleas and/or convictions referenced in paragraph's 6-8 of the foregoing Findings of Fact are vacated or dismissed for any reason, Respondents may petition the Secretary to vacate, rescind or modify this Order as applicable.

20. This Consent Decision and Order shall be considered issued on the date that an Administrative Law Judge signs it, but shall become effective on the date that the conditional grant of Federal inspection service is issued to Respondent Corporation.

NORTH AMERICAN HALAL FOOD INDUSTRIES, INC.  
Respondent Corporation

BY:   
Yahya Nasser Aosse, Secretary/Treasurer  
North American

BY:   
Jalel Aosse, President/Owner  
North American

  
Scott C. Safian, Director  
Enforcement and Litigation Division  
Food Safety and Inspection Service  
U.S. Department of Agriculture



[Redacted]

Attorney for Respondent

[Redacted]

Carlyne Cockrum  
Attorney for Complainant  
U.S. Department of Agriculture  
Office of the General Counsel

Issued this 26 day of Feb 2016, at Washington, D.C.

[Redacted]

Administrative Law Judge

Jill S. Clifton